

(CNN) -- President Obama signed sweeping health care reform into law this week. The Senate must now pass a package of changes that will reconcile the differences between Senate and House bills.

If those changes are worked out, here is how health care reforms will affect you:

Within the first year

- Young adults will be able stay on their parents' insurance until their 27th birthday.
- Seniors will get a \$250 rebate to help fill the "doughnut hole" in Medicare prescription drug coverage, which falls between the \$2,700 initial limit and when catastrophic coverage kicks in at \$6,154. Insurers will be barred from imposing exclusions on children with pre-existing conditions. Pools will cover those with pre-existing health conditions until health care coverage exchanges are operational
- Insurers will not be able to rescind policies to avoid paying medical bills when a person becomes ill.
- Lifetime limits on benefits and restrictive annual limits will be prohibited.
- New plans must provide coverage for preventive services without co-pays. All plans must comply by 2018.
- A temporary reinsurance program will help offset costs of coverage for companies that provide early retiree health benefits for those ages 55 to 64.
- New plans will be required to implement an appeals process for coverage determinations and claims.
- Adoption tax credit and assistance exclusion will increase by \$1,000. The bill makes the credit refundable and extends it through 2011.
- A 10 percent tax will be imposed on amounts paid for indoor tanning services on or after July 1.
- Businesses with fewer than 50 employees will get tax credits covering 35 percent of their health care premiums, increasing to 50 percent by 2014.

2011

- Medicare will provide free annual wellness visits and personalized prevention plans. New plans will be required to cover preventive services with no co-pay.
- States can offer home- and community-based services to the disabled through Medicaid rather than institutional care beginning October 1.
- A 50 percent discount will be provided on brand-name drugs for Prescription Drug Plan or Medicare Advantage enrollees. Additional discounts on brand-name and generic drugs will be phased in to completely close the "doughnut hole" by 2020.
- Additional tax for health savings account withdrawals before age 65 for nonqualified medical expenses will increase from 10 percent to 20 percent. Additional tax for Archer medical savings account withdrawals not used for qualified medical expenses will increase from 15 percent to 20 percent.
- A plan to provide a vehicle for small businesses to offer tax-free benefits will be created. This would ease the small employer's administrative burden of sponsoring a cafeteria plan.
- The Medicare payroll tax will increase from 1.45 percent to 2.35 percent for individuals earning more than \$200,000 and married filing jointly above \$250,000.

2013

- Health plans must implement uniform standards for electronic exchange of health information to reduce paperwork and administrative costs.

- Contributions to flexible savings accounts will be limited to \$2,500 per year, indexed by the Consumer Price Index in subsequent years.
- The Employer Medicare Part D subsidy deduction will be eliminated. Employers will lose the tax deduction for subsidizing prescription drug plans for Medicare Part D-eligible retirees.
- There will be increases to the income threshold from 7.5 percent to 10 percent of adjusted gross income. Those older than 65 can claim the 7.5 percent deduction through 2016.
- The hospital insurance tax will increase 0.9 percentage points for those earning more than \$200,000 (\$250,000 for married filing jointly), and it includes net investment income.
- A 2.9 percent excise tax on the first sale of medical devices will be established. Excepted are eyeglasses, contact lenses, hearing aids or other items for individual use.

2014

- Citizens will be required to have acceptable coverage or pay a penalty of \$95 in 2014, \$325 in 2015, \$695 (or up to 2.5 percent of income) in 2016. Families will pay half the amount for children, up to a cap of \$2,250 per family. After 2016, penalties are indexed to Consumer Price Index.
- Workers who are exempt from individual responsibility for coverage but don't qualify for tax credits can take their employer contribution and join an exchange plan.
- Companies with 50 or more employees must offer coverage to employees or pay a \$2,000 penalty per employee after their first 30 if at least one of their employees receives a tax credit. Waiting periods before insurance takes effect is limited to 90 days. Employers who offer coverage but whose employees receive tax credits will pay \$3,000 for each worker receiving a tax credit.
- Insurers can no longer refuse to sell or renew policies because of an individual's health status. Health plans can no longer exclude coverage for pre-existing conditions. Insurers can't charge higher rates because of health status, gender or other factors.
- Health plans will be prohibited from imposing annual limits on coverage.
- Health insurance exchanges will open in each state to individuals and small employers to comparison shop for standardized health packages.
- Credits will be available through exchanges for those whose income is above Medicaid eligibility and below 400 percent of poverty level who are not eligible for or offered other acceptable coverage.
- Medicaid eligibility will increase to 133 percent of poverty for all nonelderly individuals to ensure that people obtain affordable health care in the most efficient and appropriate manner. States will receive increased federal funding to cover these new populations.
- An annual health insurance provider fee will be imposed across the health insurance sector according to insurers' market share to companies whose total premiums exceed \$25 million.

2018

- 2018 Taxing "Cadillac" plans: An excise tax will be imposed on high-cost, employer-provided health plans beyond \$27,500 for family coverage and \$10,200 for single coverage; it will increase to \$30,950 for families and \$11,850 for individuals, retirees and employees in high-risk professions.

[Click here](#) for original article and CNN video footage of President Obama commenting on the new law.